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MEMORANDUM

Special Assessments on the Middle East Situation

FRANCE AND THE ARAB-ISRAELI CRISIS

Secret 67

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CENTRAL INTELLIGENCE AGENCY
23 June 1967

FRANCE AND THE ARAB-ISRAELI CRISIS

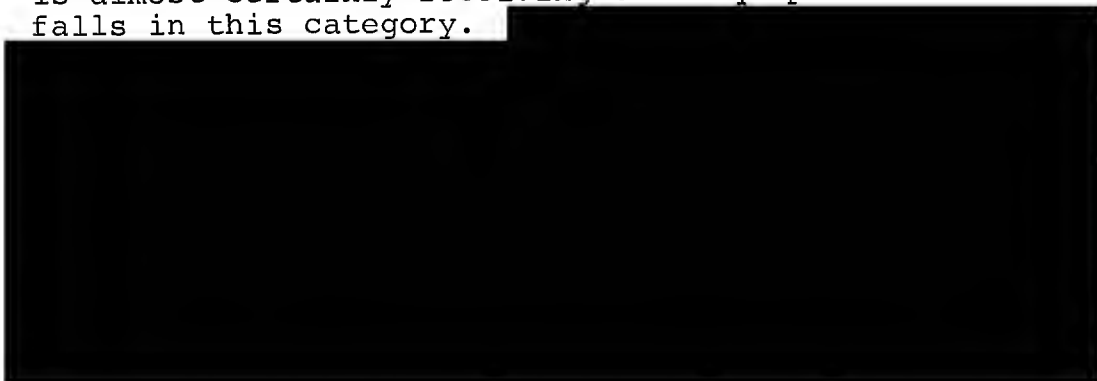
Summary

Arms Policy

1. On 5 June Paris publicly announced a decision made on 2 June -- before the opening of Middle East hostilities -- to place a total embargo on arms to all countries involved in the conflict. This particularly affected Israel, since its armed forces relied heavily on French armaments. On 8 June the policy was to be modified to permit the shipment of spare parts but not offensive weapons, reportedly as a result of Premier Pompidou's reminder to De Gaulle that all armaments contracts with Israel included a clause to supply spares for 10 years. The embargo is officially still in effect, but there has been a welter of conflicting information on whether it is being observed.

2. All indications are that shipment of spare parts was resumed after a short break in early June and is continuing.

3. On the matter of offensive weapons, Israel is almost certainly receiving some equipment which falls in this category.



4. Powerful banking and business circles, such as the House of Rothschild and Marcel Dassault, have

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put pressure on French officials, and particularly on Premier Pompidou (former Director General of the House of Rothschild), to lift the embargo. The Dassault firm argued that French manufacturers would lose out completely in the future as suppliers of arms to friendly nations if they were not able to resupply in time of real need.



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6. There have been rumors that Israel cancelled its arms contracts with France. Our best judgment is that there have been discussions of cancellation but that no decision had been taken.



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Attitudes Toward a Settlement

8. France's attitude toward any possible Middle East settlement will be conditioned by its desire to increase its influence in the area and to enhance its credentials as the major power most likely to be considered impartial by the "third world" nations. Efforts to extend French influence in the Middle East have been given a boost by careful cultivation of the Arabs during the conflict, and there have been indications that some Arab states would favor France as a mediator in the conflict. The deterioration of the US and British positions in the area opens the door even wider for the French, and Arab dissatisfaction at the USSR's role in the crisis, reduces competition from the Communist camp. France is the only major power which is not linked with either of the combatants or their big power supporters--a point which Paris unfailingly makes.

9. Paris believes that any lasting solution for the problem should be found within the framework of the four major powers, although it is aware that significant negotiations are unlikely until passions have cooled. For this reason, the French probably regard the UN as a satisfactory forum for discussions for the present. For France any UN action, however, should result from decisions of the Security Council--where the focus is on the four powers--and not the General Assembly. Although the French have yet to outline any detailed ideas for a solution, they maintain that any agreements should be of a permanent nature so that another crisis will not erupt within a few years. Moreover, France has already indicated that it will not regard Israeli territorial gains a fait accompli but will insist that a settlement should be acceptable to all parties to the conflict and "consecrated" by the international community. In addition, Paris believes that a settlement should include some solution for the Palestine refugee problem as well as freedom of navigation of both the Strait of Tiran and the Suez Canal.

10. At this point, De Gaulle's immediate concern is to keep Franco-Soviet relations from deteriorating and to prevent the "super-powers" from negotiating without France. The French president appears to have been discouraged by Moscow's unreceptive attitude toward a four-power meeting, and his concern that France will be excluded from crucial negotiations on the Middle East can only have been intensified by the Kosygin-Johnson meeting. His efforts, then, will probably be directed toward avoiding any direct confrontation with Moscow over possible approaches to a settlement and toward injecting France wherever possible into the mainstream of negotiations.

Possible Future Developments in France's Arms Policy

11. When the embargo was instituted, De Gaulle doubtless did not wish to see Israel defeated, not only because this would have put France in an extremely awkward position due to its earlier commitments to Israel but also--and more importantly--because he did not wish to see the USSR greatly improve its position in the Middle East. Moreover, the French president probably estimated that the Israelis could hold their own militarily and that they would have sufficient equipment to see them through the hostilities, which would not be prolonged. Therefore, De Gaulle probably concluded he could afford to take a neutral stance and embargo arms, leaving open the question of what policy France would pursue in the future.

12. For the present, so long as the Middle East conflict has center stage in the international arena, De Gaulle probably will maintain the embargo officially [REDACTED]

De Gaulle might still hope that a threat to cut off even the present supply of arms and spare parts would give him some leverage on Israel which could be used to lead it to moderate its demands for a settlement.

13. Over the longer run, France might under certain circumstances lift its embargo. If the crisis drags on and Paris is getting nowhere with its hopes of direct mediation or four-power

negotiations, then De Gaulle might conclude that a policy of strict neutrality was not paying off and thus let the embargo drop. While France might take this decision quite independently of what the other major powers do, it seems certain that Paris would resume arms sales if these powers were themselves making major deliveries to countries involved in the conflict. De Gaulle could plausibly argue that France's neutral status was not impaired by indicating that any French arms sales would be strictly on a commercial basis and open to Arabs and Israelis alike.

14. De Gaulle probably believes there is only a small chance that the major powers could agree on any meaningful system of limiting arms to the Middle East. Nonetheless, he would probably agree to French participation under certain conditions: 1) participation by all four major powers--the US, the USSR, the UK and France; 2) effective inspection, which would necessitate Arab and Israeli cooperation; 3) a reasonable balance in armed strength of the two sides. Even should the US and USSR make an agreement on arms limitation without including the French in the negotiating stage, which seems unlikely, France probably would tacitly go along by simply continuing the present embargo. In this way, De Gaulle would not have to assent openly to an agreement negotiated over his head by the super-powers but at the same time could conform to the substance of it.

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